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8 August 1962

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MEMORANDUM FOR THE RECORD

SUBJECT: Luncheon Meeting Attended by the Director of Central  
Intelligence of Senate Republican Policy Committee -  
8 August 1962

1. The Director, accompanied by John S. Warner, attended a luncheon meeting sponsored by the Senate Republican Policy Committee under the Chairmanship of Senator Bourke B. Hickenlooper. Attendance at the luncheon was not limited to the members of that Committee and the following Senators were present:

Jack Miller (Iowa)	Carl T. Curtis (Neb.)
Frank Carlson (Kansas)	J. Caleb Boggs (Del.)
John J. Williams (Del.)	Gordon Allott (Colo.)
George D. Aiken (Vt.)	Clifford P. Case (N. J.)
Bourke B. Hickenlooper (Iowa)	Prescott Bush (Conn.)
Roman L. Hruska (Neb.)	J. Glenn Beall (Md.)
Jacob K. Javits (N. Y.)	Hiram L. Fong (Hawaii)
Homer E. Capehart (Ind.)	John Marshall Butler (Md.)
Thomas H. Kuchel (Calif.)	Hugh Scott (Pa.)
B. Everett Jordan (N. C.)	John G. Tower (Tex.)
Alexander Wiley (Wis.)	Leverett Saltonstall (Mass.)
Winston L. Prouty (Vt.)	Everett McKinley Dirksen (Ill.)
Norris Cotton (N. H.)	Milton R. Young (N. D.)

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2. After the luncheon, Senator Hickenlooper introduced Mr. McCone, pointed out his prior service in the Government, indicating he believed Mr. McCone had the confidence of the leadership in both political parties, and that Mr. McCone was to be admired for his sense of duty. Senator Hickenlooper cautioned the group that highly sensitive matters would be touched on and in view of this none of the staff were to be present.

3. Mr. McCone then gave a 30-minute briefing. He stated he would cover three basic areas: (a) organization of the intelligence community and questions concerning whether CIA was too big; (b) Cuba; and (c) Soviet long-range attack capabilities.

4. Mr. McCone stated the responsibilities of the Agency were established by law and NSC Directives and concerned the collection, coordination and evaluation of intelligence of all sources. He mentioned covert collection through agent and other means and scientific collection of hard intelligence. He stated that the DCI kept the President and Secretary of Defense and Secretary of State currently informed on intelligence developments. It was pointed out the DCI is responsible for CIA with its more than [redacted] which figure is classified under the law; also, that the DCI is responsible for the coordination and

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effective guidance of the intelligence components of State, DOD, the three Services, AEC, and CIA.

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a. The functions of USIB and its weekly meeting were mentioned. Mr. McCone stated that the intelligence community encompassed [redacted] and that a great deal of this effort was in the collection of communication intelligence which is a most difficult field conducted mainly by the military. Seventy-five to 80 per cent of the intelligence dollar was mentioned as the figure being spent by the military. Mr. McCone indicated his responsibility for avoiding duplication and gaps with constant efforts to eliminate both. He stated it was a difficult question as to whether intelligence was too large or how large it should be and one way of looking at the question would be to consider the size of the opposition. He mentioned the two Soviet organizations, the KGB and the military intelligence, the GRU. He pointed out these were deployed on a world-wide basis and are vastly larger than CIA. In addition, of course, they are supported by the internal security forces estimated at about 400,000. He indicated that intelligence and subversive activities are two of the principal means of advancing Communist objectives.

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b. The Director stated that he thought the Agency was basically well organized although he had made some changes. He stated that he found the people to have unusual competence and surprisingly so. He pointed out that of the top 600 positions in the Agency, 60 per cent of the individuals concerned have Masters' degrees or above and only a very few have no degrees. He indicated that most of the people in the very top positions had been changed but this was based on his belief that there must be rotation in Government in senior positions. He pointed out, however, that except in one case these had been filled from within and indicated further that this was the procedure he had followed in the Atomic Energy Commission.

5. The Director then turned to Cuba pointing out that when he had come to Washington for indoctrination on the Agency's functions in September 1961 there was a general pall over the intelligence community as a result of the failure of the invasion of Cuba and he found basically little being done about Cuba. However, since the first of the year there has been an intense effort to learn everything possible about Cuba and he felt our intelligence now was good.

a. He pointed out the full-time army was estimated at 75,000 and was well deployed and well equipped with tanks and field pieces and can be regarded as a satisfactory military force.

It was stated that the majority of the equipment had been supplied by the Soviets and Czechs with some residual amount left from Batista days. He stated the air force was composed of about 45 Migs of one type or another with pilots who had been trained in Czechoslovakia. The DCI stated Cuba had no offensive naval capability but had recently received about a dozen PT-type motor boats. It was mentioned that there was a part-time militia of about 100,000 which was regarded as less dependable and was armed basically with small arms which were kept in armories. He mentioned the civil guards which were considered of questionable value but did help in police functions. In sum, he stated the over-all security force could be considered good and has suffered no deterioration. Similarly, the police force is good and utilizing the usual Communist techniques of controls and informers.

b. The DCI touched on the economic situation and said the deterioration has been rapid and serious, indicating sugar production was down to 2/3 of its previous figure. He stated industry has virtually failed and the situation is very dismal. He indicated that the Castro regime had the support of only

20 per cent of the people who are disillusioned. Their apathy and distress with rationing and other conditions has not reached the point of possible effective insurgency although there are a few guerrilla bands in the hills which are regarded as ineffective. If the monolithic structure of government controls is maintained, Mr. McCone stated it would take strong outside military force for invasion which would require U. S. support. However, Mr. McCone stated no active consideration was being given to this question at this time. The Director stated that Cuba constitutes a bridge into South America for Communist travellers and evidence has been seen of travellers going from various places in South America through Havana to Moscow and vice versa.

c. The Director stated that one of the reasons for discussing Cuba was the accelerated shipping noticed in the last thirty days. He stated that during July, 21 ships from the Bloc had put into Cuba which is twice the rate for any previous month. He indicated there is information that 17 additional ships are on the high seas and that 5 of them are combination passenger-freighters and are presumed to carry substantial quantities of military equipment and technicians. He indicated these ships possibly

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may take Cubans back to the Bloc for training. The Director indicated that reports on this may well be seen in the press in the near future. It was indicated that these activities could be evidence of recognition by Moscow that the Castro regime is faltering and needs shoring up.

6. The Director stated there had been recent studies concerning the policies and facilities relating to the Soviet long-range attack capability. He stated that at an earlier stage the estimates on probable ICBMs were based on meager and uncertain intelligence and we had no means of knowing for certain, except for U-2 coverage which afforded knowledge of their manufacturing capacity and other information. It was necessary to extrapolate from data available to arrive at estimates. Consequently, the larger estimates of their ICBM capability did not accord with the actual course of events.

a. It was pointed out that their first generation missile was large and extremely cumbersome. Information was received in 1960 on their second generation missile and it was noted in 1961 there were very successful tests with eleven tests in January and February of 1961 of which only one was a failure. Basically there was a decision not to deploy the first generation on a big scale but instead to deploy the second

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generation. The Director stated that in December 1961 we received information relating to a decision by the Soviets to increase their efforts in the missile field. He stated that the diversion of resources required as a result of this decision may account for some of their lag in the space field. Mr. McCone noted, however, that there may be an attempt of a spectacular nature in the space field within the next 24 hours or the next few days. The Director stated that we now have hard intelligence establishing acceleration of the building of ICBM bases. Thus, the information of the decision in December of 1961 to accelerate has been confirmed. The Director stated that they now have 50 ICBMs on launching pads and that by mid-1963 they would have three times that number, give ten per cent more or less.

b. The Director then indicated that, based on the nuclear weapons tests of last year, it was estimated that there is an increase in the yield of their nuclear warheads of about two or three times. He stated that the Soviets maintain about the same level, with some attrition, in long-range manned aircraft capabilities. The Director also mentioned we now have evidence

that the Soviets have nuclear submarines and, on an experimental basis, have launched ballistic missiles from submerged submarines. While this system would be similar to our Polaris it will not equal the Polaris capability.

c. With this new appraisal of the Soviet military strength, there is serious study of its effect on foreign and military policy. The DCI mentioned that in September of last year Secretary McNamara studied carefully and reached decisions relating to a five-year program for U. S. forces. In doing this Mr. McNamara had made assumptions as to Soviet force levels which in fact were above the current estimates. While the information concerning the Soviet long-range capabilities is alarming, there is no need for a reappraisal of this five-year military program. If it is implemented as planned, the program would be adequate and satisfactory and would provide the U. S. with a second strike capability. It was stated that the Soviets could not be certain of knocking out this second strike capability and it is believed they would estimate that the danger that could be done to them would be unacceptable. The DCI stated this is true today and will continue with the U. S. missile capability building up rapidly.

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d. As to the effects of this information on U. S. foreign policy, the Director mentioned Berlin as one example. He stated that as the Soviet capabilities increase, of course, their confidence will increase and they will tend to bargain harder and be ruthless in the positions they take. However, the U. S. should not back down as long as our defense program is supported and implemented but, on the contrary, we should have considerable confidence although it remains an uneasy world.

e. The Director then touched on the Soviet economic situation stating that it remains difficult and causes hardship and distress. As an example he indicated there was a recent announcement that all building of private homes had been stopped. A similar item in this regard was the recent increase in prices of meat and eggs and other farm products. The Director concluded his briefing at this point and indicated he would entertain questions.

7. Senator Capehart asked about a report indicating there were 4,000 Soviet troops in Cuba. The Director stated that we had no evidence on this although there are several hundred Bloc technicians in Cuba.

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8. Senator Bush asked about economic conditions in Cuba and the Director stated they were bad and said there had been a serious draught and the expected sugar production was 4.2 million tons as against 7 million tons. Industry is also in trouble with the government bureaucracy unable to handle it.

[REDACTED]

[REDACTED]

The current flow of refugees is running about 1500

a week.

9. Senator Tower asked if the 400, 000 figure for internal security forces included the satellites and the Soviet Union and whether this indicated a built-in instability. The Director stated the figure included the European satellites but not Communist China and that while the instability might be there the people were still looking down the muzzle of a gun. He cited the fact of 22 Soviet divisions in East Germany which were there as part of the basic Soviet alignment of forces but also were there to assure stability of the situation.

10. Senator Miller asked about missiles in Cuba and the Director stated we have no evidence and since our information was good, he was positive there were no missiles or missile bases in Cuba. Senator Miller also asked if the discontinued U-2 flights impeded intelligence efforts. The Director stated that while it had impeded our efforts alternative methods of securing hard intelligence had been developed although they were not quite as good.

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11. Senator Kuchel referred to the closing down of the IRBM base in Great Britain and whether this was serious. The Director stated that with growing U. S. capabilities this was not serious and there had been some question about the installation in any event.

12. Senator Hruska asked if the Director had been in the Agency long enough to consider the question of a Joint Congressional Committee for Intelligence. The DCI mentioned the frequent meetings with the Russell Subcommittee which included a few members from the Appropriations Subcommittee and similar meetings with the Vinson Subcommittee. He stated they were briefed in detail on the most sensitive matters. In response to a query from Hruska, the Director stated that these briefings had been conducted for many years. The DCI stated that a Joint Committee would have a mission and the information it received possibly would not go to both Armed Services and Appropriations Committees and he foresaw that it might create more problems than it would solve. The Director indicated the possible solution, if one is needed, would be to expand the present membership to provide for one or two members from the Foreign Relations Committee to sit in with the existing Subcommittees. As to accusations of free-wheeling and failure of coordination with the rest of Government, the Director stated this was simply not true, that there were regular meetings with State

Department, Department of Defense, and the White House on the Agency programs and that in fact there was very careful control of Agency operations and full coordination.

13. Senator Dirksen inquired about Castro penetration into Latin America and the Director indicated there was little evidence of actual importing of arms, but that there was evidence of efforts with regard to northeast Brazil, which is a difficult situation, more than in other areas. The Director stated that throughout the area indigenous dissenters could look toward Castro for support.

14. Senators Wiley and Tower asked whether Cuba was a serious threat. The Director responded that it is not a direct military threat but that on the other hand it is a cancer in the area.

15. Senator Aiken asked if we had good coverage of the Isle of Pines and the Director indicated this was very difficult.

16. Senator Case inquired whether the Soviets have capabilities of getting under the BMEWS and other warning systems. The Director said he had no evidence on it but that the new generation of missiles, about which we do not have full information, may have unusual characteristics particularly as to range and possibly the Soviets could eventually utilize this longer range for firings which could come into the U. S. from the south although this poses many difficulties.

17. After the meeting was closed, questions were raised concerning MRBMs and civil defense. The Director stated that we believe there are about 500 intermediate range ballistic missiles on launchers and in some cases with a refire capability. As to civil defense, the Director indicated we did not have a great deal of evidence on this subject.

18. Senator Saltonstall was sitting next to me and asked about my taking notes. I indicated I tried to keep a pretty good record. Saltonstall responded saying, "That's an excellent idea."

19. Senator Hickenlooper thanked the Director very much and again reminded the members of the sensitivity of some of the information and mentioned specifically the matter of utilizing openly numbers coming from an authoritative source which could assist the Soviets.

20. It is believed the members were genuinely interested in the information given and felt that the meeting was worthwhile. In fact, several members so expressed themselves to me.

JOHN S. WARNER  
Legislative Counsel

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Committee

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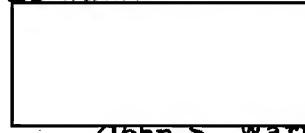
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## Remarks:

The Director asked for a draft memorandum of his remarks at the luncheon on Wednesday, obviously intending to review the actual words used. I have made it very full since apparently he wanted a full record.



John S. Warner

LBC

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